BRITISH COLUMBIA
The Best Place on Earth

BCStats

Infoline

Contact: bcstats.infoline@gov.bc.ca Issue: 10-31 August 6, 2010

- **BC's unemployment rate falls to 7.5% in July**
- **Building permits issued in BC rise 15.1% in June**
- **Lumber production increases 13.4% in June**

Labour Force Survey

- **British Columbia's unemployment rate shaved off 0.3 percentage points, dropping to 7.5% (*seasonally adjusted*) in July.** The decline in the province's jobless rate was spurred by employment gains to the tune of 16,300 jobs (+0.7%). The increase was entirely driven by private sector (+2.0%), mainly for part-time jobs (+5.1%). *Data Source: Statistics Canada*

- **In terms of the source of job growth in July, the goods sector led the way as the number of jobs in goods-producing industries jumped 2.6 (*seasonally adjusted*) in July.** Agriculture (+7.5%), forestry, fishing & mining (+6.7%) and manufacturing (+5.4%) all posted significant workforce expansions.

  While overall employment in the service sector rose slightly (+0.3%), there were substantial declines in finance, insurance & real estate (-7.4%), health care & social assistance (-5.5%) and education (-3.5%). These weaker employment figures were offset by stronger job growth in transportation & warehousing (+7.0%), professional, scientific & technical services (+5.4%) and accommodation & food services (+2.4%). *Data Source: Statistics Canada*

- **Regionally, unemployment rates (*3-month moving average, unadjusted*) ranged from 5.9% in Vancouver Island/Coast to 11.5% in North Coast/Nechako.** North Coast/Nechako (-4.8%) was the only region that posted a lower employment, while, Thompson/Okanagan (+5.0%), Cariboo (+10.3%) and Northeast (+8.6%) registered the most significant increases. *Data Source: Statistics Canada*

- **Nationally, the country's unemployment rate edged up 0.1 percentage points to 8.0%.** Total employment changed only slightly in July as large-scale declines in the number of full-time jobs (-139,000) were largely offset by increased part-time employment (+130,000). Employment retreated in Quebec (-0.5%), Saskatchewan (-0.4%) and Ontario (-0.2%). However, this was offset by gains made in the rest of country, primarily in BC (+0.7%) and Alberta (+0.4%).

  Data Source: Statistics Canada

The Economy

- **The value of building permits issued by municipalities in British Columbia rose 15.1% (*seasonally adjusted*) in June.** The increase was driven by gains in the residential sector (+26.2%) as building intentions in the province's non-residential sector dropped 5.4%.

  At the national level, the value of building permits increased 6.5% as weaker residential permits (-4.5%) were buoyed by a strong advance in non-residential intentions (+23.5%). In all, six provinces posted gains with Newfoundland and Labrador (+232.1%), Alberta (+17.7%) and BC registering the most significant increases. *Data Source: Statistics Canada*

- **The value of building permits issued in the province was up 43.9% (*unadjusted*) during the first six months of 2010.** Permits remained high in Nechako (+174.1%) and North Coast (+116.5%) both of which continue to experience increased activity in the commercial sector.

Report Canada Okays Controversial Trade Deal with Colombia

Did you know...

Roughly 89% of all email sent to British Columbia is spam,
making BC the second most spammed province in the country after New Brunswick (93%).

Data Source: Symantec MessageLabs Intelligence

Other regions showing strong growth included Mainland/Southwest (+69.2%), Northeast (+47.2%), Cariboo (+44.9%) and Kootenay (+43.9%). Building intentions in Vancouver Island/Coast (+10.2%) and Thompson/Okanagan (+6.9%) advanced at more moderate levels. *Data Source: Statistics Canada*

- **Sawmills in British Columbia posted another year-over-year increase in June as lumber production rose 13.4%.** While Interior mills pushed production ahead 12.0%, Coastal mills ramped up lumber output by a substantial 25.4%. Nationally, sawmills registered a 22.1% increase in lumber production in June with strong gains in Nova Scotia (+90.1%), Quebec (+37.9%), New Brunswick (+35.5%) and Alberta (+25.7%).

  Data Source: SC Cat. no. 35-003-X

- **Year-over-year, coal production in British Columbia jumped nearly two-thirds (+63.4%) in May 2010.** BC accounts for roughly one-third of total Canadian coal production with roughly 95% destined for use in metallurgical processes.

  Data Source: Statistics Canada

Family Matters

- **Between 1995 and 2006, the average age of fathers in Canada with children aged 18 years or younger rose 1.8 years, from 39.8 year to 41.6 years, reflecting the ongoing trend toward an older population.** In 2006, approximately 44% of fathers were in their 40s, while those between the ages of 30 and 39 made up roughly one-third of fathers, a complete reversal of the situation observed ten years earlier. Additionally, the proportion of fathers aged 50 to 59 increased from 10% in 1995 to 15% by 2006.

  Several factors are believed to contribute to this. Compared to a decade earlier, men are leaving the parental home at an older age and are entering into marriage or common-law relationships and starting families later in life. This last point is evidenced by the fact that the average age of first-time fathers increased from 27.8 year in 1995 to 29.1 years by 2006. Another contributing factor is that, increasingly, men are willing to start a new or second family later in life when a prior relationship breaks down.

  Data Source: SC Cat. no. 11-008-X

Foreigners Working in Canada

- **From 1996 to 2006, the number of adult non-permanent residents working in Canada more than doubled (+118%) to 112,000.** Most non-permanent residents (84%) had full-time jobs and most were males (59%). The Philippines supplied the largest share (14%) of total non-permanent resident workers. Overall, roughly 63% of employed non-permanent residents were from countries whose per capita gross domestic product was less than half that of Canada.

  Non-permanent residents gravitated towards jobs that either required a great deal of formal training or those that demanded very little. The most common occupations (9%) of non-permanent residents were babysitters, nannies or parents' helpers, followed by researchers or teaching assistants (6%). This division into highly skilled and unskilled occupations was also reflected by the fact that the most common employers of non-permanent residents were private households (9%) and universities (9%).

  In general, non-permanent residents were paid less than either Canadian-born or established immigrant workers. Roughly half (46%) of non-permanent residents who worked full-time earned less than $500 per week. This was the case for only 23% of the Canadian-born and 25% of established immigrants. Conversely, 5% of non-permanent residents were employed in jobs that paid $3,000 or more per week whereas only 3% of Canadian-born workers and 3% of established immigrants earned this much.

  Data Source: SC Cat. no. 11-008-X

Infoline Issue: 10-31
August 6, 2010

For data originating from Statistics Canada, data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the catalogue number.

Contact: Dan Schrier
(250) 387-0376
originally published in
Exports, Issue 10-05

Canada Okays Controversial Trade Deal with Colombia

The path has been cleared for a free trade deal between Canada and Colombia to proceed with the enabling legislation having now passed through both the House of Commons and the Senate. The deal is part of Canada's effort to focus more attention on trade with the Americas, particularly in light of the fact that the United States has aggressively pursued bilateral trade deals with a number of countries, which could affect Canada's competitiveness with regard to trade with these nations.

The deal is not without its share of controversy as a number of trade unions, church groups and organizations such as Amnesty International have expressed objections to any deal with Colombia, given the human rights violations that have occurred in that country for many years. Colombia has been embroiled in an armed conflict for over 45 years, which has cost the lives of tens of thousands of Colombians. According to a recent Amnesty International (AI) report, there is a real threat to the survival of Indigenous Peoples in Colombia[1]. AI suggests that guerrilla groups, state security forces and paramilitaries have all contributed to human rights abuses against Indigenous Peoples, including offences such as killings, kidnappings and sexual assaults.

Given this background, pressure has been placed on the Canadian government to back away from a deal with Colombia, but the federal government maintains that the best way to ensure these human rights violations stop is to deepen the economic and political ties with that country. The free trade deal contains an amendment negotiated by Liberal trade critic Scott Brison that requires both governments to provide annual reports that assess the impact that the agreement has had on human rights, but this clause has been criticized by rights groups as being toothless.

For example, Stuart Trew, of the Council of Canadians suggests, "The only thing rarer than the meat in this flimsy agreement is any real protection for human rights and workers in Colombia[2]."

However, the federal government has been confident that this deal will help Colombia make progress in eradicating the human rights abuses prevalent in that country since long before the amendment was added to the deal. Labour Minister Jean-Pierre Blackburn spoke of the potential for progress on worker's rights issues shortly after the agreement was made back in June 2008, saying, "This agreement, like the one that was signed by our government in Peru last week, contains some of the most comprehensive labour provisions to be found in any agreement anywhere in the world[3]."

The federal government insists that the deal will result in a more stable and predictable environment for investors and will provide benefits for Canadian companies.

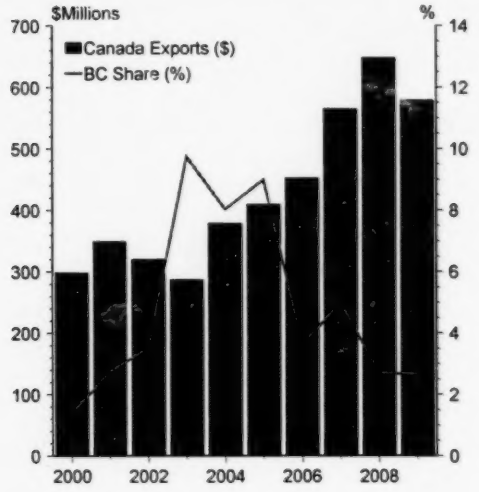
Over the last decade, Canada's trade and investment with Colombia has been growing, but is still relatively small. As an export destination for Canadian goods, Colombia ranked 31st in 2009, with approximately $602 million worth of Canadian merchandise shipped there. Canada imported $733 million worth of goods from Colombia in 2009, ranking that country 44th as a source of imports into Canada.

[1] Amnesty International (Feb. 2010). "The Struggle for Survival and Dignity: Human Rights Abuses Against Indigenous Peoples in Columbia."

[2] Dylan Penner, Media Officer, Council of Canadians (June 2, 2010). "Human rights protections are rare in Brison's steak-dinner amendment to Canada-Colombia free trade agreement."

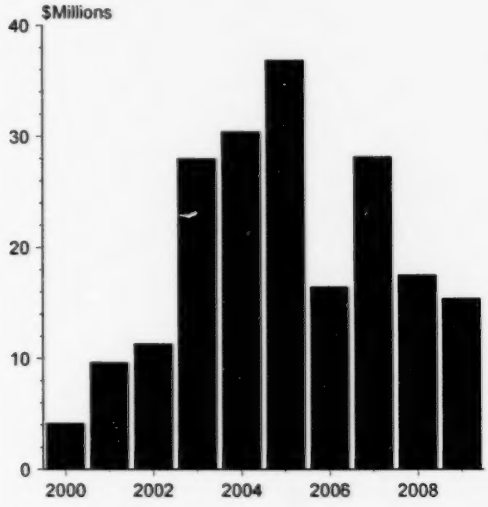
[3] CBC News (June 7, 2008). "Canada, Colombia reach free-trade agreement."

Although Canadian commodity exports to Colombia have doubled over the last decade, they still remain small



Source: Statistics Canada

BC exports relatively few goods to Colombia



Source: Statistics Canada

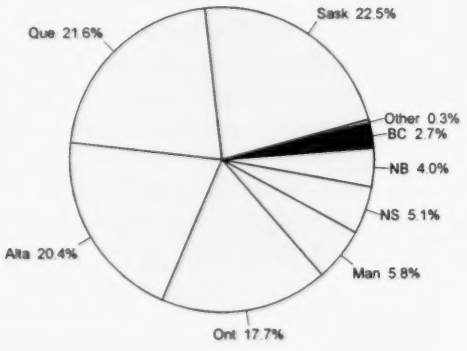
There has been very little trade in services between the two countries. In 2007 (the last year for which data are available), two-way trade in services amounted to about $115 million, with most of that comprised of Canadian exports ($80 million).

For British Columbia, Colombia is even less significant as a destination for exports, ranking 43rd in 2009 with just over $15 million worth of goods shipped from BC to Colombia.

In 2009, machinery and equipment, particularly pumps, were the top exports from BC to Colombia. For Canada overall, agricultural products, such as wheat, lentils and barley were the top exports to Colombia. In addition, newsprint and dump trucks were also significant exports. The top imports into Canada from that country were coal, bananas, crude petroleum, coffee and cut flowers.

Less than 3% of Canadian exports to Colombia in 2009 originated in British Columbia. The sectors thought most likely to stand to benefit from the free trade agreement are goods such as wheat, barley, lentils peas, pork and beef, but British Columbia is not a major producer of most of these. Newsprint is a significant export to Colombia, but most of it is shipped from Nova Scotia and Quebec, and at any rate, newsprint is already tariff-free, so the sector is not likely to experience many benefits from the agreement. It appears that this agreement may not have much to offer for British Columbia exporters.

Only a small portion of Canadian exports to Colombia originates in British Columbia



Source: Statistics Canada

In addition, as cut flowers are a significant import from Colombia and one of the few that have tariffs, the agreement could create a challenge for cut flower producers as those duties are removed. According to Foreign Affairs and International Trade Canada, BC is a significant producer of cut flowers, responsible for 23% of total Canadian production in 2004, so this British Columbia industry, at least, may be impacted negatively as a result of the free trade deal[4].

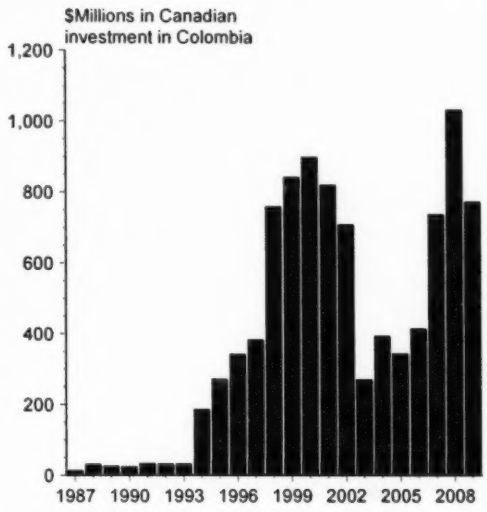
However, while there may be few benefits for British Columbia exporters, there are more likely to be positive outcomes for investors. In particular, Canadian investment in Colombia's mining and oil sectors is expected to increase as a result of the agreement.

Canadian direct foreign investment (FDI) in Colombia has experienced strong growth in the last 15 years. In 2009, Canadian FDI in Colombia totalled $773 million, down from over one billion dollars in 2008. The drop was likely a reflection of the global economic downturn.

In addition to mining and oil exploration, printing and education are other industries in which Canadian FDI in Colombia is significant.

Colombia is the second country in the Andean Community to sign a free deal with Canada, following in the footsteps of Peru. It is also possible that deals with Bolivia and Ecuador will materialize sometime in the future, further enhancing Canada's trade relationship with South America. Time will tell whether or not this particular free trade deal will spur improvements in human rights conditions in Colombia and provide economic benefits to both Canada and Colombia.

Canadian investment in Colombia has grown significantly in the last 15 years



Source: Statistics Canada

[4] Foreign Affairs and International Trade Canada (June 2007). "Economic Analysis of Prospective Free Trade Agreement(s) Between Canada and the Countries of the Andean Community."

Infoline

August 6, 2010, 2010
Issue 10–31

Email transmission information service from BC Stats

also on the Internet at www.bcstats.gov.bc.ca or choose RSS

BC at a glance . . .

POPULATION (thousands)	Apr 1/2010	% change on one year ago
BC	4,510.9	1.6
Canada	34,019.0	1.2
GDP and INCOME (Revised Nov 9)		
(BC - at market prices)	2008	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	197,931	3.3
GDP *($ 2002 millions)*	164,520	0.0
GDP *($ 2002 per Capita) (reflects revised pop)*	37,529	-1.7
Personal Disposable Income *($ 2002 per Capita)*	25,931	3.2
TRADE ($ millions, seasonally adjusted)		% change on prev. month
Manufacturing Shipments - May 2010	2,946	2.1
Merchandise Exports - May 2010	2,457	4.0
Retail Sales - May 2010	4,885	1.5
CONSUMER PRICE INDEX	% change on	12-month avg
(all items - Jun 2010)	one year ago	% change
BC	0.5	0.0
Vancouver	1.1	0.3
Victoria	0.1	0.0
Canada	1.0	0.7
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Jul 2010	prev. month
Jobs Created (Lost) - BC NEW!	16.3	
Labour Force - BC	2,503.0	0.4
Employed - BC	2,315.2	0.7
Unemployed - BC	187.9	-3.3
		Jun 2010
Unemployment Rate - BC *(percent)*	7.5	7.8
Unemployment Rate - Canada *(percent)*	8.0	7.9
INTEREST RATES (percent)	Aug 4/2010	Aug 5/2009
Prime Business Rate	2.75	2.25
Conventional Mortgages - 1 year	3.50	3.75
- 5 year	5.79	5.85
US-CANADA EXCHANGE RATE	Aug 4/2010	Aug 5/2009
(avg. noon spot rate) Cdn $ per US $	1.0185	1.0720
(closing rate) US $ per Cdn $	0.9827	0.9345
AVERAGE WEEKLY WAGE RATE		% change on
(industrial aggregate - dollars)	Jul 2010	one year ago
BC	824.70	4.5
Canada	818.60	2.1

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

For latest Weekly Financial Statistics see www.bankofcanada.ca

BC Student Outcomes – 2009 Highlights

The 2009 Highlights includes findings from the four main post-secondary student outcomes surveys: the Diploma, Associate Degree, and Certificate Student Outcomes (DACSO) Survey, the Apprenticeship Student Outcomes (APPSO) Survey, the Developmental Student Outcomes (DEVSO) Survey, and the Baccalaureate Graduates Survey (BGS).

http://outcomes.bcstats.gov.bc.ca/Libraries/DACSO_Highlights/H09_Student_Outcomes_pdf.pdf

Regional Employment Projections

Updated projections of employment by industry and occupation are now available. The data offers regional detail for College Regions and Development Regions with estimates for 2009 and projections for 2014.

www.bcstats.gov.bc.ca/data/lss/repm.asp

Released this week by BC Stats

- Tourism Sector Monitor, July 2010
- Labour Force Statistics, July 2010
- Earnings & Employment Trends, July 2010

Next week

- Exports, June 2010

BC Stats, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: 250-387-0327 Fax: 250-387-0380 Web: www.bcstats.gov.bc.ca E-mail: BC.Stats@gov.bc.ca